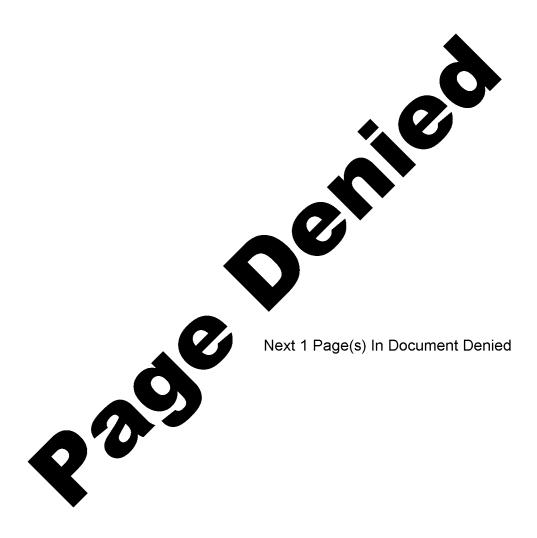
TOP SECRET



Political Developments

10. Initial commentary from Hanoi on the 2 March air strike attempts to magnify US losses and play down any damage to the DRV. Although a 3 March DRV government statement denounced the attack as a "new and extremely serious escalation" of the war, it failed to specify countermeasures by the DRV. A 3 March Hanoi party editorial claimed that the DRV suffered no "appreciable losses" as a result of the strike.

- ll. This editorial took the line that Washington has realized its "tit for tat" retaliation policy is "bankrupt," since it failed to force the Communists to negotiate. Now, the editorial said, the US plans a "continuous air war" against the DRV with the aim of reaching a negotiated settlement. The editorial asserted, however, that the US should give up hope that its acts will lead to such a settlement.
- 12. Peiping, in a <u>People's Daily</u> editorial of 4 March, lauded the "tremendous victory" of the North Vietnamese in the 2 March strikes. It made no mention of damage to DRV installations but described the shooting down of "nine enemy planes" as a "sound thrashing." The editorial adds that since US imperialism has forced the war upon others, the US "cannot expect to escape the punishment it deserves."
- 13. The "consultative meeting" in Moscow of 19 Communist parties has provided a forum for attacking US actions in Vietnam. A 3 March statement—issued as a separate document by the parties—reflected the Soviet leaders' effort to represent the meeting as evidence of the need for Communist bloc unity in the face of "imperialist aggression" against the DRV. A 3 March Pravda article reiterated Soviet Premier Kosygin's earlier warning against a miscal—culation on the part of the US if it believed that "aggression against a socialist state would remain unpunished."

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15. Yugoslav President Tito is trying to rally the nonaligned countries behind his proposals for an international conference to seek a peaceful settlement of the Vietnam crisis. He reportedly has already consulted with representatives of India, the UAR, Ceylon, Algeria, and Cambodia. Tito apparently does not favor preconditions to the convening of a conference, nor does he believe it appropriate for him to name specific participants, but he has suggested that they should include countries of the area "as well as Communist China and the US."

Political Activity in South Vietnam

16. Government spokesmen, particularly those representing the armed forces, are continuing to inveigh against civilian elements agitating for peace talks with the north. According to the press, Buddhist leader Thich Quang Lien yesterday conferred with Premier Quat concerning Lien's recently launched drive to initiate exploratory talks with North Vietnam. Lien later told reporters that Quat had refused to give governmental sanction to his peace drive. The premier is reported to have told Lien to forward his proposals to Hanoi in a private capacity via the International Control Commission.

Tri Quang, the most influential of the Buddhists, has indicated qualified support for the Quat government. He recently told a US Embassy officer that Quat's regime was a good one which had the support and trust of the people. He was critical of one of Quat's deputy premiers, however, and attacked General "Little" Minh, the acting armed forces commander, as a Diemist holdover and Quang has thus left himself openings a Catholic. for future opposition to the Quat government should he consider it opportune. In a manner reminiscent of his initial posture toward the Huong government. Quang concluded his remarks with a statement that he supported Quat because he had not "done anything wrong yet."

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19. The Armed Forces Council has elected General Thieu, a deputy premier and minister of the armed forces, secretary general of the AFC. Thieu will be assisted by three commissioners responsible for monitoring government activities in the spheres of foreign affairs, political affairs, and security. The Council's decision not to elect a chairman to replace General Khanh reflects the military's inability to decide on a single successor to Khanh at this stage.

Viet Cong Military Activity

20. Viet Cong terrorist and military activity remains widespread and intensive, including harassment of district towns and paramilitary posts. However, no major engagements have been reported. On 4 March a terrorist bomb exploded near a US enlisted men's barracks in Saigon; several Vietnamese were killed, according to the press, and two Americans received minor injuries. In a similar incident the previous day, a bomb caused only minor damage to a Saigon bar but reportedly killed several Vietnamese children and injured some others.